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SOURCE Tung-pei Jih-pao.

NORTHEAST RESUMES GOLD MINES;
 STEPS UP STEEL PRODUCTION

1948 GOLD PRODUCTION 50,240 OUNCES -- Tung-pei Jih-pao, 17 Sep 49

Rapid progress is being made in restoring the gold mines of the Northeast under the supervision of the Gold-Mining Bureau of the Northeast Executive Committee. The total output of gold in 1948 reached more than 50,240 ounces. By the end of 1948, branch offices of this bureau, which was organized in 1947 to control and coordinate gold mining, had increased to the following: four provincial bureaus in Sungkiang, Heilungkiang, Kirin, and Jehol, two first-class branch bureaus, six second-class branch bureaus, three agencies, 87 mines and mining-control offices.

The gold-producing area of the Northeast extends from Hei-ho in the north to Yen-chi in the southeast. It follows the valleys of the Hei-lung Chiang, the Sung-hua Chiang, the Mu-tan Chiang, and the Tu-men Chiang. These valleys contain rich deposits.

The first large-scale exploitation was undertaken by the Japanese. During their occupation, the Hei-lung Chiang and Sung-hua Chiang basins were open to exploitation by Japanese operators. They employed about 30,000 farmers and laborers and opened over 270 mines. From 1932 to 1943, these mines produced more than 528,000 ounces of gold.

According to a survey made by the Manchurian government and a Russian geologist, the gold reserves of the Northeast are estimated to be about 50 million ounces. This would permit an annual production of 128,000 ounces (the largest amount ever produced in one year) for the next 500 years.

When the Soviet Army entered the Northeast in 1945, the Japanese did their best to destroy the mines and equipment.

After its establishment, the Gold-Mining Bureau delimited the mining areas and prohibited wildcat private operation. To promote both production and restoration simultaneously, the bureau adopted a temporary plan of operating the mines on a profit-sharing basis. According to this plan, the bureau opens the mines, furnishes equipment, and initial expenses of such operations. The workers are asked to furnish their own

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hand tools and labor. After taxes are deducted, the bureau takes 20 percent of the output; the workers, 80 percent. This cooperative plan has proved very successful and many workers are now seeking to join the enterprise. In addition, the bureau assists the workers in obtaining necessary goods through a cooperative purchasing system.

The system of labor contractor employed by the Japanese is being replaced by the organization of labor unions. Night schools, training classes, hospitals, and cultural recreation agencies are being organized. Opium dens, brothels, and gambling dens are being closed. Thrift and diligence in labor are encouraged. These programs have not only improved the living standard of the workers, but have tended to encourage workers to assume family responsibilities. During 1948, there were 70 weddings and 30 betrothals at one of the mining centers. All these factors have helped to stabilize production.

For the future development of the Northeast gold mines, it is necessary that the profit-sharing plan be abolished, and the methods of tax collection and gold purchase be improved. Efforts must be made to mechanize the various operations to reduce existing inefficiency. Plans for promoting enthusiasm for the work on the part of the laborers must be adopted to ensure a steady increase in production.

Other problems to be worked out are: (1) opening of new mines; (2) more comprehensive planning, stricter cost accounting including the use of domestically produced equipment instead of the enormously expensive foreign-produced equipment, careful selection, and adequate maintenance of equipment; and (3) better organization and coordination of control.

FU-SHUN STEEL-CASTINGS SHOP SURPASSES GOAL -- Tung-pei Jih-pao, 23 Sep 49

The steel-castings unit of the Fu-shun Mining Bureau's Machine and Electrical Plant has surpassed the year's goal by 30 percent in 6 months. The production amounted to 625 tons. During the competitive months of May and June, the production reached 178 tons which exceeded the previous monthly production by 71 percent. In June, the average individual production reached 904 kilograms, setting a new record.

Moreover, during these months there was a marked saving in materials. Originally, old railroad rails and junk steel were melted to make castings. Later the source of rails was cut off so that it was necessary to substitute metal from worn-out tools and iron shavings from the lathes. Thirty-six tons of the latter were salvaged and used from February to June. In addition, 1,500 kilograms of No 8 and No 24 wire, ordinarily used for turning molds, were saved by finding discarded wire in the junk pile. The quality of the product was about 90 percent of the optimum.

One serious lack in the operations was proper inspection. Faulty molds were not discovered until the product was completed. During the competitive period, old molds were used instead of new ones in order to economize; but this resulted in pitted surfaces and poor quality. It has been decided to set up standards and establish an inspection service for the second half of the year. Production from July to December has been set at 850 tons, while the standard of quality has been set at 80 percent perfect castings, 15 percent slightly pitted, and 5 percent rejects.

TYPHOON DAMAGES TA-LIEN STEEL MILL -- Tung-pei Jih-pao, 4 Oct 49

On 26 July 1949, the Ta-lien Steel Mill was damaged by a typhoon but recovered sufficiently to surpass its production quotas for the month of August. (The production period for this mill is from the 26th of one month to the 25th of the next.) Power lines were broken and electric motors drenched with water, but most of the damage was quickly repaired.

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The steel-refining plant compensated for lost time by firing three furnaces a day instead of the customary two and succeeded in exceeding its quota by one percent. During the same period, production increased in the forging, rolling, smelting, and copper-refining plants. The Ta-lien Steel Mill also has metal-plating, wood-screw manufacturing, riveting, tempering, drill-manufacturing, stove materials, and hydraulic plants.

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